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REPORT
OF
THE AUDITOR-GENERAL
ON
THE FINANCIAL STATEMENTS OF
NATIONAL GOVERNMENT
CONSTITUENCIES DEVELOPMENT FUND
NORTH MUGIRANGO CONSTITUENCY
FOR THE YEAR ENDED
30 JUNE 2016



**NATIONAL GOVERNMENT CONSTITUENCY DEVELOPMENT FUND-
NOTH MUGIRANGO CONSTITUENCY**

REPORTS AND FINANCIAL STATEMENTS

**FOR THE FINANCIAL YEAR ENDED
JUNE 30, 2016**

**Prepared in accordance with the Cash Basis of Accounting Method under the International Public Sector
Accounting Standards (IPSAS)**

**NATIONAL GOVERNMENT CONSTITUENCY DEVELOPMENT FUND –
NORTH MUGIRANGO CONSTITUENCY**
Reports and Financial Statements
For the year ended June 30, 2016



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CONSTITUENCY DEVELOPMENT FUND- NOTH MUGIRANGO CONSTITUENCY

Reports and Financial Statements

For the year ended June 30, 2016

I. KEY CONSTITUENCY INFORMATION AND MANAGEMENT

(a) Background information

The Constituencies Development Fund (CDF) was established under the Constituencies Development Fund (CDF) Act, 2003, amended in 2007 and repealed by the CDF Act of 2013. In 2015, the Act of 2013 was declared unconstitutional and a new Act was enacted in 2015, being The National Government Constituencies Development Fund Act, NG-CDF Act 2015. The National Government Constituencies Development Fund (NG-CDF) is under the ministry of Devolution and Planning. The objective of the fund is to provide mechanisms for supplementing implementation of the National Government development agenda at the constituency level.

(b) Key Management

The North Mugirango Constituency's day-to-day management is under the following key organs:

- i. Constituencies Development Fund Board (NG-CDFB)
- ii. National Government Constituency Development Fund Committee (NG-CDFC)

(c) Fiduciary Management

The key management personnel who held office during the financial year ended 30th June 2016 and who had direct fiduciary responsibility were:

No.	Designation	Name
1.	Accounting Officer	Yusuf Mbuno
2.	A.I.E holder	Wilson Okumu
3.	Accountant	Mr. Stanley Agoi

(d) Fiduciary Oversight Arrangements

The Audit and Risk Management Committee (ARMC) of NGCDF Board provide overall fiduciary oversight on the activities of North Mugirango Constituency. The reports and recommendation of ARMC when adopted by the NGCDF Board are forwarded to the National Government Constituency Development Fund Committee (NGCDFC) for action. Any matters that require policy guidance are forwarded by the Board to the Cabinet Secretary and National Assembly Select Committee.

(e) NORTH MUGIRANGO NG-CDF Headquarters

P.O. Box 105-40500 Nyamira
Deputy County Commissioners Office Building
Nyamira
KENYA

**NATIONAL GOVERNMENT CONSTITUENCY DEVELOPMENT FUND- NORTH
MUGIRANGO CONSTITUENCY
Reports and Financial Statements
For the year ended June 30, 2016**

(f) North Mugirango NGCDF Contacts

Telephone: (254) 0722 700485
E-mail: cdfnmugirango@cdf.go.ke
Website: www.cdf.go.ke

(g) North Mugirango NGCDF Bankers

Bank Name: Equity Bank Ltd
Branch: Nyamira
Account Name: North Mugirango NG-CDF
Account Number: 0502062112242
Address: 105-40500

(h) Independent Auditors

Auditor General
Office of the Auditor General
Anniversary Towers, University Way
P.O. Box 30084
GOP 00100
Nairobi, Kenya

(i) Principal Legal Adviser

The Attorney General
State Law Office
Harambee Avenue
P.O. Box 40112
City Square 00200
Nairobi, Kenya

**II. FORWARD BY THE CHAIRMAN NATIONAL GOVERNMENT CONSTITUENCY
DEVELOPMENT FUND COMMITTEE (NGCDFC)**

It is my pleasure to present to you North Mugirango NG-CDF's annual report and financial statements for the financial year 2015/2016. In the year under review, we are pleased with our overall performance which aligns very well with our vision and also our proven track record of consistent delivery and value for money.

The actual amounts utilised by the constituency in its various expense items were more than 50% of its budget performance, however the target should be 100% if funds are availed in time during the financial year.

Key achievements for the CDF

- By providing funds directly to each constituency for fighting poverty, CDF assists in ironing out regional imbalances due to patronage.
- In the education sector, CDF funding of schools has assisted in increasing student enrolment, the CDF bursary has helped retain in schools students from low income families.

Emerging issues related to the CDF

Entrenching CDF in the new constitutional dispensation, since it is facing a lot of legal challenges, hence Members of Parliament should enact legislations which do not contravene the constitution in order to protect the NGCDF.

Implementation challenges and recommended way forward

- Late disbursement of funds, lead to rise in project costs due to factors like inflation due to time value of money and also the public do not get the value of the funds in time, a good case is in late bursary awards, to remedy this, funds should be released by CDF Board in time.
- Frequent development forums and awareness forums should be held to intuit the public with information concerning the development initiatives, from various funding agencies and stakeholders and CDF, County Government and other development stakeholders plan together to avoid duplication of projects
- Lack of a simple but standardized practical curriculum for training PMC's in order to enhance their capacity to implement the projects, hence a PMC training manual should be operationalized.
- The NG-CDF Act and the constitution limits the operations of CDF to Education and National security functions, leaving out all the devolved functions.

Hesbon N.Arao

NG-CDFC Chairman

Designation

Sign.....

